



Notice To RFP Respondents

PUBLIC RELEASE OF PROPOSALS

Under the California Public Records Act, the records of state agencies are generally available to the public upon request. The Proposal you submit pursuant to a CIRM RFP will be a public document. If you are awarded the contract, the contract will be a public document.

The Public Records Act allows CIRM to withhold documents, or parts of documents, that reveal trade secrets and information that is confidential or proprietary, and information that would invade personal privacy.

You should submit your Proposal in a form that does not include such information. If you wish to include non-public information in your RFP response, put that information in a separate envelope labeled “Confidential,” and include a brief explanation of the reason the information is non-public. If you do not provide an adequate basis for withholding the information, CIRM is required to make it available to the public. CIRM reserves the right to make the final determination whether to withhold or produce a document or portion of a document in response to a Public Records Act request. If CIRM withholds information at your request, you may be required to litigate any claim of trade secret that you assert.

CIRM is not permitted to provide legal advice about the Public Records Act and/or its exemptions. The following resources provide additional information about CIRM’s obligations under the Public Records Act:

CIRM Public Records Access Guide

<http://www.cirm.ca.gov/faq/pdf/guidelines.pdf>

Summary of the California Public Records Act

http://www.ag.ca.gov/publications/summary_public_records_act.pdf



REQUEST FOR PROPOSAL

December 15, 2009 Information Technology Advisor RFP# CIRM 2224

You are invited to review and respond to this Request for Proposal (RFP), entitled RFP# CIRM 2224, for the California Institute for Regenerative Medicine (CIRM). In submitting your proposal, you must fully comply with these instructions. Missing and/or incomplete information may cause your response to be disqualified from further consideration. **The RFP seeks an outstanding Information Technology professional (individual or firm) to provide technology advice at a Chief Information Officer/Chief Technology Officer level for CIRM as described further in Sections A.1 & 2.**

If you have questions, or would like additional information, the contact person for this RFP is:

Cynthia Schaffer
Contracts Administrator
Phone (415) 396-9241
cschaffer@cirm.ca.gov

If you would like to be notified of any additional information released about this RFP before responses are due, please send an email with that request to cschaffer@cirm.ca.gov.

All submittals must be received on or before 5 PM Pacific Time, **January 15, 2010**. Return one signed hard copy original to:

California Institute for Regenerative Medicine
210 King Street
San Francisco, CA 94107
Attn: Cynthia Schaffer
Contracts Administrator

**Faxed or emailed submittals will not be accepted without delivery of a hard copy original by the deadline stated above.
Late submittals will not be accepted**

Table of Contents

Section	Page
A. Purpose and Description of Services	3
1) Introduction	3
2) Information on Current CIRM IT Projects	3
3) Scope of Services	4
4) Schedule, Location, Fees & Contract Terms	5
B. Abilities, Experience & Qualifications	6
C. Application Process	7
1) Key Action Dates	7
2) What to Submit	7
3) How to Submit	8
4) Proposal Evaluation	9
D. Additional Terms & Conditions	10
E. Required Attachments	11
1) Proposer References	
2) Payee Data Record (STD 204)	
F. Exhibits	14
1) Sample Independent Consultant Agreement	

A. Purpose and Description of Services

1. Introduction

CIRM was established in 2005 with the passage of Proposition 71, the California Stem Cell Research and Cures Act. The statewide ballot measure, which provided \$3 billion in funding for stem cell research at California universities and research institutions, was overwhelmingly approved by voters, and called for the establishment of an entity to make grants and provide loans for stem cell research, research facilities, and other vital research opportunities. To date, the CIRM governing board has approved 328 grants totaling more than \$1 billion, making CIRM the largest source of funding for human embryonic stem cell research in the world. For more information, please visit www.cirm.ca.gov.

Proposition 71 imposes a limit of 50 staff members on CIRM. Given the scope and urgency of its mission, CIRM has focused its efforts on hiring the best scientific staff and administrative personnel to carry out the agency's diverse functions. CIRM's staff, however, does **not** have extensive internal expertise on information technology or software implementation projects. CIRM has therefore outsourced a great portion of these tasks.

CIRM is requesting proposals from individuals or firms to provide CIRM with technology advice at the level of a Chief Information/Chief Technology Officer (to be referred to herein as "Consultant" or "Information Technology Advisor"). CIRM is looking for someone who can come into this dedicated and hard-working organization and begin to immediately assess the current technology infrastructure and develop plans to address ways to make it both robust and flexible to meet current and emerging needs. The Information Technology Advisor would report to CIRM's Vice President of Operations and provide advice to CIRM's VP on his responsibilities to direct, coordinate and manage CIRM's IT operations.

The successful candidate must demonstrate excellent communications skills, both oral and written, and must have the ability to communicate technical concepts to a non-technical audience. The Information Technology Advisor must be technically and professionally capable of providing the services described in Section A, Item 3, Scope of Services and meet the Minimum Qualifications for Proposers in Section B. The individual or firm must be free from actual conflicts of interest not only at the time of selection, but also throughout the term of the contract.

2. Information on current CIRM IT Projects

CIRM relies heavily on information technology for all aspects of its operations, including desktop/personal computing, communicating with the public (website, Flickr, Facebook) and managing its grant programs. Different contractors assist CIRM in each of these areas but no one contractor or CIRM employee has the technical expertise to oversee the full range of functions in order to insure that all of the work integrates seamlessly and efficiently. In addition CIRM is in the process of finalizing a strategy to develop and

install a comprehensive grants management system that will cover the full lifecycle of the grant making process from inception through closeout. The initial priorities of the Information Technology Advisor will be to focus on this project – to create and implement an enterprise architecture plan for the grants management system while verifying that it integrates with CIRM’s other IT needs. CIRM’s grants management system currently comprises 3 component modules: (a) Adobe LiveCycle Designer pdf forms; (b) a custom built web-based system built around Ruby on Rails and J2EE; and (c) MicroEdge GIFTS. CIRM staff and contractors/consultants currently extract data from each of the components and share it with the other modules.

3. Scope of Services

The Information Technology Advisor will be expected to provide CIRM with advice on the following:

- The coordination and management of CIRM’s IT development and software integration initiatives;
- The management of CIRM’s existing IT operations (which are currently handled by various contractors and consultants);
- The establishment and maintenance of an enterprise architecture plan for CIRM; and
- The establishment and maintenance of IT policies and processes for CIRM.

It is anticipated that the Information Technology Advisor would contribute to the grants management systems project by:

- (i) creating an enterprise architecture review;
- (ii) creating a data architecture schema and a plan for implementing it;
- (iii) assisting in the evaluation of build or buy decisions in regards to new web based application module;
- (iv) coordinating the project to integrate data from multiple modules into a database that supports CIRM’s data mining needs;
- (v) advising CIRM’s Vice President on allocation of project tasks and responsibilities among CIRM’s various IT contractors;
- (vi) advising on enhancements to component modules to incorporate best practices and enterprise architecture standards; and
- (vii) advising on establishment of a system for setting and supporting IT priorities and for change management.

CIRM also has many projects in process related to upgrading our existing IT systems plan and will seek the Information Technology Advisor’s advice on:

- (i) IT system management;
- (ii) Policy development for security and disaster recovery; and
- (iii) Development and maintenance of IT network and systems documentation.

The Information Technology Advisor will be expected to provide CIRM with the following services:

- The Information Technology Advisor will work with CIRM leadership to manage the scope of the IT projects by advising on the planning and management of IT project tasks and deliverables including particulars such as time, cost, quality assurance, human resources, communications, risk and procurement.
- Perform as the primary point of contact for IT strategic and administration matters for both CIRM employees and contractors/consultants. Work across all CIRM departments and interact with department heads, CIRM's management, CIRM's board (the ICOC) and CIRM vendors.
- Collaborate with CIRM's Grants Management and Science Offices to continually assess the value, usability and feasibility of the grants management system and to support the integration among the modules.
- Coordinate and conduct status, planning and management meetings and direct and coordinate communications among the stakeholders.

4. Schedule, Location, Fees & Contract Terms

- a. Although the work will be performed on an as-needed basis, CIRM anticipates that the Information Technology Advisor will work approximately 30-40 hours per week for the first six months. After the first six months, it is anticipated that a reduced schedule will be arranged by the mutual agreement of the parties. Continuity is important to CIRM and to the success of the various projects and CIRM requests that the individual or firm be prepared to commit at least one year to the assignment.
- b. CIRM expects that the work be performed primarily on location at CIRM's office at 210 King Street, San Francisco. However, CIRM will consider an arrangement where some work is performed remotely if the Proposer presents a compelling plan that addresses the flow of communication, responsiveness and technological connectivity concerns that may arise because of a remote working arrangement. Any proposal for a remote working arrangement should also specify proposed travel expenses and how these expenses will impact the fees proposed. Please note that all travel reimbursement is subject to CIRM's Travel Policy as posted on CIRM's website at <http://www.cirm.ca.gov/AdminPoliciesForms>.
- c. CIRM expects the chosen individual or firm to be able to start as soon as possible following the execution of the contract. CIRM anticipates entering into a one-year contract with two possible one-year extensions at CIRM's election. The contract may be cancelled by CIRM with a 30-day cancellation notice per the contract terms described in Exhibit 1- Sample Independent Consultant Agreement.
- d. The proposal submitted shall state Consultant's hourly rate and/or proposed fixed price for a basket of hours and the on-call time necessary to meet the Scope of Services listed

herein. The proposal should specify the rates for the first contract year as well as the rates for the potential second and third contract years.

B. Abilities, Experience and Qualifications

CIRM expects the proposed Information Technology Advisor to demonstrate skill and experience in all aspects of the work encompassed by this RFP. To be considered, a submission must show that the proposed consultant has the following minimum qualifications:

- Bachelor's degree in Computer Science or related field (or equivalent experience substituting for a degree).
- A minimum of 8 years of increasing responsibility in IT, including hands-on technical work, project and team management, and working directly with senior management as IT Manager or CIO/CTO.
- Facility with RUP, Agile, XP or CMMI-2 compliant software development methodology.
- Knowledge of the following as well as the ability to provide effective oversight and supervision to vendors and contractors working with:
 - Operating Systems: Windows, Linux, Mac OS X
 - Programming Languages: Ruby on Rails, J2EE, Crystal Reports, Adobe LiveCycle Designer,
 - Databases: SQL Server, MySQL, Postgres
 - Web Technologies: HTML, SSL, XML, AJAX, Drupal

In addition, this individual **must demonstrate** ability to:

- Establish and maintain cooperative working relationships.
- Communicate realistic assessments of project status, balance competing priorities, and remain professional while saying “no” to unrealistic requests.
- Write thorough and well-documented reports (without any administrative support provided by CIRM).
- Manage tight deadlines.
- Manage outsourced vendor relationships.
- Implement California state IT requirements.

Highly **desirable**, but not mandatory, experience and qualifications include:

- Training and experience with project management.
- Experience in grants management field.

- Recent and successful experience in managing IT needs for organizations of similar size and/or projects with similar scope and complexity.
- Knowledge of IT security.

C. Application Process

1. Key Action Dates

Time is of the essence. All Proposers are hereby advised of the following schedule and will be expected to adhere to the required dates and times:

<u>Date</u>	<u>Action</u>
<u>December 15, 2009</u>	RFP available to prospective individuals and firms
<u>January 15, 2010</u>	Final Date for Proposal Submission. Proposals must be received at CIRM by 5:00 P.M. CIRM plans to conduct in-person interviews with top candidates before reaching a decision.
<u>March 15, 2010</u>	Proposed Award Date (Note: The actual award date may be earlier.)

2. What to Submit

- The proposal should provide a straightforward and concise description of the proposed Information Technology Advisor's experience, qualifications and abilities, and how they meet the requirements of this RFP. Proposals from firms should include information about the firm as well as a resume of the individual proposed to provide the services to CIRM. **In the case of a firm submitting individual applicants, please limit your proposal to your top 3 candidates for Information Technology Advisor.**
- The proposal submitted shall state Consultant's hourly rate and/or proposed fixed price for a basket of hours and the on-call time necessary to meet the Scope of Services listed herein. The proposal should specify the rates for the first contract year as well as the rates for the potential second and third contract years.
- Submit a list of at least three references (clients) to which the proposed Information Technology Advisor has provided similar services within the past five years, and contact numbers for each. See Attachment 1. Please note that CIRM will also request references for the individuals submitted by a firm, if those individuals are among CIRM's top candidates. CIRM will request the references for individuals at the time of their interview with CIRM.
- The proposal must be complete and accurate and must address all tasks and deliverables identified in Section A.3 Scope of Services.
- State the total dollar amount of consulting work for which the Proposer has contracted with CIRM for in the last 12 months.

- f. If the proposal is made under a fictitious business name or business title, the actual legal name of the Proposer must be provided.
- g. Omissions, inaccuracies or misstatements will be sufficient cause for rejection of a proposal.
- h. All proposals shall include the documents identified in Section E, Required Attachments. Proposals not including the proper "required attachments" shall be deemed non-responsive. A non-responsive proposal is one that does not meet the basic proposal requirements.
- i. Proposals must be submitted for the performance of all the services described herein. Any deviation from the work specifications will not be considered and will cause a proposal to be rejected.
- j. An individual who is authorized to bind the proposing firm contractually shall sign the Attachment 2, Payee Data Form. The signature must indicate the title or position that the individual holds in the firm. An unsigned proposal may be rejected.

3. How to Submit

- a. The proposal package should be prepared in the least expensive method. We will need to photocopy and scan your proposal for distribution within CIRM, so please do not bind your document in a way that makes photocopying and scanning difficult.
- b. All proposals must be received at CIRM by the dates and times shown in Section C.1.
- c. Please submit one original. All documents contained in the original proposal package must have original signatures. If the submission is from a firm, it must be signed by a person who is authorized to bind the proposing firm.
- d. The proposal envelope(s) should be addressed as follows and must be plainly marked with the RFP number and title:

California Institute for Regenerative Medicine
 210 King Street
 San Francisco, CA 94107
 Cynthia Schaffer
 Contracts Administrator
 Subject: Information Technology Advisor, CIRM 2224
- e. If you submit a proposal and then want to modify it, you can withdraw it and submit a new version at any time before the submission deadline. Proposal modifications offered in any other manner, oral or written, will not be considered.
- f. Before submitting a response to this solicitation, you should review this RFP to be sure that you have met all of the requirements.

- g. A firm or individual may submit only one proposal. A firm's proposal can offer multiple candidates for the assignment. In the case of a firm submitting individual applicants, please limit your proposal to your top 3 candidates for Information Technology Advisor.
- h. CIRM does not accept alternate contract language from a prospective Consultant. A proposal with such language will be considered a counter proposal and will be rejected. CIRM expects Consultant to agree to enter into an Independent Consultant Agreement on the same terms specified in the attached Exhibit 1- Sample Independent Consultant Agreement.

4. Proposal Evaluation

At the time of proposal opening, each proposal will be checked for the information required by the RFP. The proposals that meet the Minimum Qualifications in Section B will be evaluated and scored according to the criteria indicated below, by an evaluation committee organized by CIRM. Each element has a maximum point value shown.

(1) Qualification and Experience as an Information Technology Advisor 55 points

CIRM will evaluate the proposal on the basis of the firm's/individual's overall experience demonstrating their ability to successfully complete the requirements identified in the Introduction and Scope of Services within Section A.

(2) Responsiveness to the Scope of Services 25 points

CIRM will evaluate the proposal on how well it addresses the specific elements CIRM has identified in the Scope of Services and demonstrates the firm's/individual's overall understanding of CIRM's IT needs.

(3) Cost 20 points

CIRM will score the cost upon the competitive cost proposal.

Maximum Total Possible Points

100 points

The award, if made, will go to the highest scoring proposal that meets all requirements of the RFP. If a tie occurs the most competitive cost proposal will be the determining factor.

D. Additional Terms and Conditions

1. A proposal may be rejected if it is conditional or incomplete, or if it contains any alterations of form or other irregularities of any kind. CIRM may reject any or all proposals and may waive any immaterial deviation in a proposal. CIRM's waiver of immaterial deviation shall in no way modify the RFP document or excuse the Proposer from full compliance with all requirements if awarded the agreement.
2. CIRM reserves the right to reject all proposals. CIRM is not required to award an agreement.
3. Proposals that contain false or misleading statements, or which provide references that do not support an attribute or condition claimed by the Proposer, may be rejected.
4. Costs incurred for developing proposals and in anticipation of award of the agreement are entirely the responsibility of the Proposer, and may not be charged to CIRM.
5. CIRM may modify the RFP prior to the date fixed for submission of proposals by the issuance of an addendum. If you would like to be notified of any additional information released about this RFP before responses are due, please send an email with that request to cschaffer@cirm.ca.gov.
6. No oral understanding or agreement shall be binding on either party.
7. The Information Technology Advisor will be required to maintain the following insurance coverage:

a. General Liability

Comprehensive or Commercial Form	<u>(minimum limits)</u>
Each Occurrence	\$2,000,000.00
Products/Completed Operations Aggregate	\$2,000,000.00
Personal and Advertising Injury	\$1,000,000.00
General Aggregate*	\$1,000,000.00

*Not applicable to comprehensive form.

If the above insurance is written on a claims-made form, it shall continue for three years following termination of the agreement. The insurance shall provide for a retroactive date of placement prior to or coinciding with the effective date of the agreement.

- b. Business Automobile Liability: For owned, scheduled, non-owned, or hired automobiles with a combined single limit of not less than \$1,000,000 per occurrence.

- c. Workers' Compensation: as required under California State Law.
 - d. Professional Liability Insurance (minimum limits):
 - i. Each Occurrence \$2,000,000
 - ii. Project Aggregate \$2,000,000
 - e. Other insurance in amounts which from time to time may reasonably be required by the mutual consent of CIRM and the Independent Consultant against other insurable hazards relating to performance.
8. Upon proposal opening, all documents submitted in response to this RFP will become the property of CIRM, and will be regarded as public records under the California Public Records Act (Government Code Section 6250 et seq.) and subject to review by the public.
 9. Proposal packages will be returned only at the Proposer's expense, unless such expense is waived by CIRM.
 10. Should the Consultant fail to commence work at the agreed upon time, CIRM, upon five (5) days written notice to the Consultant, reserves the right to terminate the agreement. In addition, the Consultant shall be liable to CIRM for the difference between Consultant's Proposal price and the actual cost of performing work by another Consultant.
 11. All performance under the agreement shall be completed on or before the termination date of the agreement.

E. Required Attachments

For your proposal to be considered responsive, all required attachments must be included with the RFP by the dates and times shown in Section C, Proposal Requirements and Information, Item 1, Key Action Dates.

Attachment 1 – Proposer References

Attachment 2 – Payee Data Record (STD 204)

F. Exhibits

1. Sample Independent Consultant Agreement

ATTACHMENT 1

References for Proposed Information Technology Advisor

Submission of this attachment is mandatory. Failure to complete and return this attachment with your bid may cause your bid to be rejected and deemed non-responsive.

List below three references for services performed within the last five years, which are similar to the scope of work to be performed in this contract.

REFERENCE 1			
Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	
Brief Description of Service Provided			
REFERENCE 2			
Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	
Brief Description of Service Provided			
REFERENCE 3			
Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	
Brief Description of Service Provided			

Payee Data Record

STATE OF CALIFORNIA-DEPARTMENT OF FINANCE

PAYEE DATA RECORD

(Required when receiving payment from the State of California in lieu of IRS W-9)
STD. 204 (Rev. 8-2003)

1	INSTRUCTIONS: Complete all information on this form. Sign, date, and return to the State agency (<i>department/office</i>) address shown at the bottom of this page. Prompt return of this fully completed form will prevent delays when processing payments. Information provided in this form will be used by State agencies to prepare Information Returns (1099). See reverse side for more information and Privacy Statement. NOTE: Governmental entities, federal, State, and local (including school districts), are not required to submit this form.					
2	PAYEE'S LEGAL BUSINESS NAME (Type or Print) <hr/> <div style="display: flex; justify-content: space-between;"> SOLE PROPRIETOR – ENTER NAME AS SHOWN ON SSN (Last, First, M.I.) E-MAIL ADDRESS _____ </div> <hr/> <div style="display: flex;"> MAILING ADDRESS _____ CITY, STATE, ZIP CODE _____ BUSINESS ADDRESS _____ CITY, STATE, ZIP CODE _____ </div>					
3 PAYEE ENTITY TYPE CHECK ONE BOX ONLY	ENTER FEDERAL EMPLOYER IDENTIFICATION NUMBER (FEIN): [] [] - [] [] [] [] [] [] <input type="checkbox"/> PARTNERSHIP CORPORATION: <input type="checkbox"/> MEDICAL (e.g., dentistry, psychotherapy, chiropractic, etc.) <input type="checkbox"/> ESTATE OR TRUST <input type="checkbox"/> LEGAL (e.g., attorney services) <input type="checkbox"/> EXEMPT (nonprofit) <input type="checkbox"/> ALL OTHERS <input type="checkbox"/> INDIVIDUAL OR SOLE PROPRIETOR ENTER SOCIAL SECURITY NUMBER: [] [] - [] [] [] [] [] [] <small>(SSN required by authority of California Revenue and Tax Code Section 18646)</small>					NOTE: Payment will not be processed without an accompanying taxpayer I.D. number.
4 PAYEE RESIDENCY STATUS	<input type="checkbox"/> California resident - Qualified to do business in California or maintains a permanent place of business in California. <input type="checkbox"/> California nonresident (see reverse side) - Payments to nonresidents for services may be subject to State income tax withholding. <input type="checkbox"/> No services performed in California. <input type="checkbox"/> Copy of Franchise Tax Board waiver of State withholding attached.					
5	<p align="center">I hereby certify under penalty of perjury that the information provided on this document is true and correct. Should my residency status change, I will promptly notify the State agency below.</p> <hr/> <div style="display: flex;"> AUTHORIZED PAYEE REPRESENTATIVE'S NAME (Type or Print) TITLE _____ </div> <hr/> <div style="display: flex;"> SIGNATURE _____ DATE _____ TELEPHONE _____ () </div>					
6	Please return completed form to: Department/Office: _____ Unit/Section: _____ Mailing Address: _____ City/State/Zip: _____ Telephone: () _____ Fax: () _____ E-mail Address: _____					

04)

EXHIBIT 1

Agreement No. CIRM ____

CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE INDEPENDENT CONSULTANT AGREEMENT

THIS AGREEMENT to furnish certain consultant services is made by and between the California Institute for Regenerative Medicine hereinafter called (CIRM), and _____ [Name] _____ hereinafter called (the Consultant).

I. NATURE AND PLACE(S) OF SERVICE

- A. The Consultant shall furnish to CIRM the following described services including a time schedule by which the Consultant is to produce or provide specified materials or perform certain consulting services as well as reports on the progress of the services:
See attachment A submitted by Consultant to CIRM.
- B. In addition to the services described in subparagraph A. above, the Consultant's proposal to CIRM shall be incorporated herein by reference and made part of this Agreement.
- C. If the Consultant is an entity other than an individual, CIRM requires that staff be assigned according to Attachment A to perform the work set forth herein. No reassignment of work to any other individual(s) other than those described in Attachment A shall be made without the written approval of CIRM.
- D. Place(s) of performance of such services shall be:

Consultant's location:

CIRM's location:

210 King Street
San Francisco, CA 94107

- E. The CIRM will provide working space, equipment, furniture, utilities, and services, as follows:

II. TERM OF AGREEMENT

- A. The term of this Agreement shall be from _____ through _____.
- B. CIRM reserves the right to terminate this Agreement subject to 30 days written notice to the Consultant. Consultant may submit a written notice to terminate this Agreement only if CIRM should substantially fail to perform its responsibilities as provided herein. In addition, this Agreement may be terminated immediately

for cause. The term “for cause” shall mean that the Consultant fails to meet the terms, conditions, and/or responsibilities of this Agreement. In this instance, the termination shall be effective as of the date indicated on CIRM’s notification to the Consultant

C. The term of this Agreement may be extended by the mutual, written consent of both parties.

III. COMPENSATION AND REIMBURSEMENT FOR EXPENSES

A. The CIRM shall pay the Consultant for services performed on the following basis:

1. Professional Fees::
2. Other Expenses

MAXIMUM TO BE PAID UNDER THIS AGREEMENT \$ _____

* Reimbursement for travel and per diem shall be in accordance with established CIRM rates and policies.

B. Payments shall be made upon the Consultant's submission of invoices indicating the Agreement Number and setting forth charges in accordance with rates detailed in Article III-A. Each invoice shall include the Consultant's taxpayer identification number (Social Security or employer identification number). Invoices shall be submitted not more frequently than monthly in arrears to:

California Institute for Regenerative Medicine
President
210 King Street
San Francisco, CA 94107

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

The following link will take you to the Government Code cited for further information. <http://www.leginfo.ca.gov/cgi-bin/displaycode?section=gov&group=00001-01000&file=927-927.12>

IV. REPORTING

In performing consulting services under this Agreement, the Consultant shall be accountable to CIRM and shall provide progress reports to CIRM upon CIRM’s request.

V. NOTIFICATION

Notices concerning this Agreement shall be addressed as follows:

CIRM:

TO
CONSULTANT:

[Insert name and address]

VI. TAXES

The compensation stated in Article III includes all applicable taxes and will not be changed hereafter as the result of Consultant's failure to include any applicable tax or as the result of any change in the Consultant's tax liabilities. The Consultant acknowledges that compensation payable hereunder may be subject to withholding of state and federal income tax, including state income tax subject to withholding pursuant to California Revenue and Taxation Code Sections 18661-18677.

VII. INDEPENDENT CONSULTANT STATUS

- A. Both parties agree that in the performance of this Agreement the Independent Consultant shall not be an agent or employee of CIRM, shall not be covered by the State of California Worker's Compensation Insurance or Unemployment Insurance, shall not be eligible to participate in CIRM's retirement programs, and shall not be entitled to any other CIRM employee benefits.
- B. The Consultant shall be solely responsible for the conduct and control of the work to be performed by the Consultant under this Agreement, except that the Consultant is accountable to CIRM for the results of such work. The Consultant's services for CIRM shall be performed in accordance with currently approved methods and ethical standards applicable to the Consultant's professional capacity.

California State Contract Code 10515 (a) states: No person, firm, or subsidiary thereof who has been awarded a consulting services contract may submit a bid for, nor be awarded a contract on or after July 1, 2003, for the provision of services, procurement of goods or supplies, or any other related action that is required, suggested, or otherwise deemed appropriate in the end product of the consulting services contract.

VIII. ASSIGNMENT OR SUBCONTRACTING

The Consultant may not assign or transfer this Agreement, or any interest or claim, or subcontract any portion of the work, without the prior written approval of CIRM. The withholding or granting of such approval is totally discretionary with CIRM. If CIRM consents to such assignment or transfer, the terms and conditions of this Agreement shall be binding upon any assignee or transferee.

IX. PROPERTY RIGHTS, INCLUDING PATENTS AND COPYRIGHTS

All written and other tangible material ("Material") produced pursuant to this Agreement by the Consultant shall be considered a work-made-for-hire under the Copyright Act. To the extent said Material does not qualify as a work-made-for-hire, Consultant hereby assigns all right, title, and interest, including, but not limited to, copyright and all copyright rights in the Material to CIRM and shall execute any and all documents necessary to effectuate such assignment. In the event Consultant uses any individual who is not a full-time employee of Consultant or uses any other entity to perform any of the work required by Consultant hereunder, Consultant shall require said individual or entity to sign an agreement before commencing work for consultant to sign an agreement that contains identical wording to the foregoing two sentences except that the word "Consultant" shall be replaced with the individual's or entity's name.

X. CONSULTANT'S LIABILITY AND INSURANCE REQUIREMENTS

- A. The Consultant agrees to defend, at CIRM's election, indemnify, and hold harmless CIRM, its officers, agents, and employees from and against any and all claims, losses, expenses (including costs and reasonable attorney's fees), claims for injury, or damages that are caused by or result from the negligent or intentional acts or omissions of the Consultant, its officers, employees, or agents or Consultant's breach of this Agreement. In addition, Consultant agrees to defend, at CIRM's election, indemnify, and hold harmless CIRM, its officers, agents, and employees from and against any and all claims, losses, expenses (including costs and reasonable attorney's fees), claims for injury, or damages accruing or resulting to any and all contractors, subcontractors, suppliers, or any other person, firm or corporation furnishing services or supplying goods in connection with Consultant's performance of this Agreement

- B. The Consultant shall furnish a Certificate of Insurance or statement of self-insurance (contractual liability included) showing minimum coverage as follows:

1. General Liability: Comprehensive or Commercial Form (Minimum Limits)

(i)	General Aggregate (BI, PD)*	\$2,000,000
(ii)	Products, Completed Operations Aggregate	\$2,000,000
(iii)	Personal and Advertising Injury	\$1,000,000
(iv)	Each Occurrence	\$1,000,000

* (not applicable to comprehensive form)

However, if such insurance is written on a claims-made form following termination of this Agreement, coverage shall survive for a period no less than three years. Coverage must include a Primary and Non-Contributory provision and a Severability of Interest provision. Coverage shall also provide for a retroactive date of placement coinciding with the effective date of this Agreement.

2. Business Auto Liability: (Minimum Limits) for Owned, Scheduled, Non-Owned, or Hired Automobiles with a combined single limit of no less than \$1,000,000 per occurrence.
3. Workers' Compensation: as required under California State Law.
4. Other insurance in amounts as from time to time may reasonably be required by the mutual consent of CIRM and the Consultant against such other insurable hazards relating to performance.

Certificate(s) shall name CIRM as an additional insured under 1, 2 and 4 above, obligate the insurer to notify CIRM at least thirty (30) days prior to cancellation of or changes in any of the required insurance and include a provision that the coverage will be primary and will not participate with nor be excess to any valid and collectible insurance program of self-insurance carried or maintained by CIRM. Premiums on all insurance policies shall be paid directly by the Consultant.

XI. RECORDS ABOUT INDIVIDUALS

- A. The Consultant acknowledges that the creation and maintenance of records pertaining to individuals is subject to certain requirements set forth by the California Information Practices Act (Civil Code 1798, et seq.) and by CIRM policy. Such requirements include provisions governing the collection, maintenance, accuracy, dissemination, and disclosure of information about individuals, including the right of access by the subject individuals.
- B. If the Consultant creates confidential or personal records about an individual, as defined by the Information Practices Act, including notes or tape recordings, the information shall be collected to the greatest extent practicable directly from the individual who is the subject of the information. When collecting the information, the Consultant shall inform the individual that the record is being made and of the purpose of the record.
- C. Records containing confidential or personal information about individuals are the property of CIRM and subject to CIRM's policies and applicable federal and state laws. The Consultant

agrees to deliver all such records, including originals and all copies and summaries, to CIRM upon termination of this Agreement.

- D. The Consultant shall not use recording devices in discussions with CIRM's employees without notifying all parties to the discussion that the discussion is being recorded.

XII. EXAMINATION OF RECORDS

The Consultant agrees that CIRM and its authorized agents shall have the right to review and copy any records and supporting documentation pertaining to the performance of this Agreement including, but not limited to, all documents, records and work papers whether obtained or copied from CIRM or developed by the Consultant. Consultant agrees to maintain such records for a minimum of five (5) years after final payment, unless a longer period of records retention is stipulated. Consultant agrees to allow CIRM and its authorized agent's access to such records during normal business hours. Further, Consultant agrees to include a similar right of access in any subcontract related to the performance of this Agreement.

In accordance with state law, the Consultant agrees that CIRM, its authorized agents, the State Controller's Office, and the Bureau of State Audits (collectively, the "Auditors") shall have the right, in connection with an audit, to review and copy any records and supporting documentation pertaining to the performance of this Agreement including, but not limited to, all documents, records and work papers whether obtained or copied from CIRM or developed by the Consultant. Consultant agrees to maintain such records for possible audit for a minimum of five (5) years after final payment, unless a longer period of records retention is stipulated. Consultant agrees to allow the Auditors access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Consultant agrees to include a similar right of the Auditors to audit records and interview staff in any subcontract related to the performance of this Agreement.

XIII. CONFLICT OF INTEREST

- A. The Consultant will not hire any officer or employee of CIRM to perform any service covered by this Agreement. If the work is to be performed in connection with a federal or state contract or grant, the Consultant will not hire any employee of the government concerned to perform any service covered by this Agreement.
- B. The Consultant affirms that to the best of his/her knowledge there exists no actual or potential conflict between the Consultant's family, business or financial interest and the services provided under this Agreement, and in the event of change in either private interests or service under this Agreement, any question regarding possible conflict of interest which may arise as a result of such change will be raised with CIRM.
- C. The Consultant shall not be in a reporting relationship to a CIRM employee who is a near relative, nor shall the near relative be in a decision-making position with respect to the Consultant.
- D. The Consultant shall execute a Form 700 Statement of Economic Interests as published by the Fair Political Practices Commission. Statements of Economic Interests are public documents. More information about Form 700 is available at www.fppc.ca.gov.

XIV. AFFIRMATIVE ACTION

The Consultant recognizes that as a state government contractor or subcontractor, the Consultant is obligated to comply with all state laws and regulations regarding equal opportunity and affirmative action in government contracts. When applicable, the Consultant agrees that all such laws and their implementing regulations are

incorporated herein as though set forth in full. These laws include the nondiscrimination requirements of Government Code sections 12990 and 11135, and the nondiscrimination program and clause required by Title 2, Division 4, Chapter 5 of the California Code of Regulations.

XV. CONFIDENTIALITY

The Consultant shall keep confidential any information provided by CIRM or any information conveyed orally to the Consultant by CIRM with oral notification of its confidentiality (the "Confidential Information"), Consultant agrees to maintain the secrecy of CIRM's Confidential Information and agrees not to use it except in performing the Services under this Agreement and not to disclose it to anyone outside CIRM or anyone within CIRM's organization who does not have a need to know it to perform under this Agreement. This non-disclosure provision shall not apply to any of the following:

1. Information which the Consultant can demonstrate by written records was known to him or her prior to the effective date of this Agreement;
2. Information which is currently in, or in the future enters, the public domain other than through a breach of this Agreement or through other acts or omissions of the Consultant; or
3. Information which is obtained lawfully from a third party.

XVI. APPLICABLE LAW

The laws of the State of California shall govern this Agreement.

XVII. TERMS TO BE EXCLUSIVE

This Agreement constitutes the entire understanding between the parties regarding the subject matter hereof and supersedes any prior understanding between the parties, oral or written, regarding the same subject matter.

XVIII. WAIVER OR MODIFICATION OF TERMS

No waiver, amendment or other modifications of the terms of this Agreement shall be binding upon either party unless expressed in writing and signed by both parties hereto.

XIX. STANDARD FOR PERFORMANCE

The parties acknowledge that CIRM, in selecting the Consultant to perform the services hereunder, is relying upon the Consultant's reputation for excellence in the performance of the services required hereunder. The Consultant shall perform the services in the manner of one who is a recognized specialist in the types of services to be performed. All deadlines set forth in the Agreement are binding and may be modified only by subsequent written agreement of the parties. The Consultant shall devote such time to performance of its, her, or his duties under this Agreement as is reasonably necessary for the satisfactory performance of such duties within the deadlines set forth herein. Nothing in the foregoing shall be construed to alter the requirement that time is of the essence in this Agreement.

- XX. EXCLUSION. Independent Consultant warrants that it is not excluded from participation in any governmental sponsored program, including, without limitation, the Medicare, Medicaid, or Champus programs (<http://exclusions.oig.hhs.gov/search.aspx>) and the Federal Procurement and Nonprocurement Programs (<http://www.epls.gov/eplis/search.do>). This Agreement shall be subject to immediate termination in the event that the Independent Consultant is excluded from participation in any federal healthcare or procurement program.

XXI. RESOLUTION OF DISPUTES

If the Consultant disputes any action by CIRM arising under or out of the performance of this contract, the Consultant shall notify CIRM of the dispute in writing and request a claims decision. CIRM shall issue a decision within 30 days of the Consultant's notice. If the Consultant disagrees with CIRM's claims decision, the Consultant shall submit a formal claim to the President of CIRM. The decision by the President of CIRM shall be final and conclusive on the claim unless the decision is arbitrary, capricious or grossly erroneous or if any determination of fact is unsupported by substantial evidence. The decision may encompass facts, interpretation of the contract and determinations or applications of law. The decision shall be in writing following an opportunity for the Consultant to present oral or documentary evidence and arguments in support of the claim. Consultant shall continue with the responsibilities under this Agreement during any dispute.

INDEPENDENT CONSULTANT

THE CALIFORNIA INSTITUTE FOR
REGENERATIVE MEDICINE

Signature _____ Date _____
Name _____
Title _____
Company _____

Dr. Alan Trounson _____ Date _____
President

Social Security or Employer Identification Number*

*Pursuant to Federal Privacy Act of 1974, you are hereby notified that disclosure of your Social Security number is mandatory. Disclosure of the Social Security number is required pursuant to Sections 6011 and 6051 of Subtitle F of the Internal Revenue Code and Regulation 4, Section 404.1256, Code of Federal Regulations, under Section 218, Title II of the Social Security Act, as amended. The Social Security number is to verify your identity. The principal uses of the Social Security number shall be to report payments you have received to the Federal and State governments.

Item 6445-502-6047001/H&S Code 125291.20/Statutes 2004/FY 06/07
Account/Fund to be charged